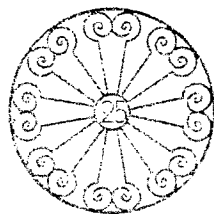


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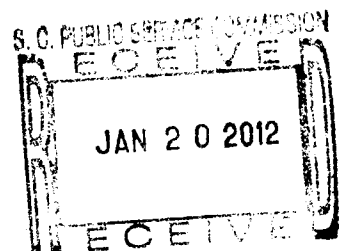


YCR LAW
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January 13, 2012



Via Electronic Correspondence and U.S. Mail

G. Trenholm Walker, Esquire
Pratt-Thomas Walker, PA
P. O. Box 22247
Charleston, SC 29413-2247

Re: Application of Kiawah Island Utility
Docket No. 2011-317-WS
YCRT File: 2589-20110772

Dear Trenholm:

Enclosed please find Kiawah Property Owners Group, Inc., Motion to Compel in the above referenced case.

I am providing a Certificate of Service, indicating all parties of record have been provided with this Motion to Compel.

With kind regards, I am

Sincerely,

Young Clement Rivers, LLP

Michael A. Molony /tro
*Michael A. Molony

MAM/tro

Enclosure(s)

cc: Jocelyn Boyd
David Butler
Shannon Bowyer Hudson
Jeffrey M. Nelson, Esquire
Jason S. Luck, Esquire
John P. Seibels, Jr., Esquire
Diane Lehder
Wendy Kulick

*Dictated but Not Read

BEFORE THE
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

IN RE:

Docket No. 2011-317-W/S

Application of Kiawah Island Utility Company
Incorporated for approval of Rates and Charges

**Motion to Compel Kiawah Utility Inc. to
Respond to Intervenor Kiawah Island
Property Owner Group's Interrogatories**

Kiawah Island Property Owner's Group ("KPOG") responds to the objections by Kiawah Island Utility Company Inc ("KIU") to KPOG's Second Interrogatories as follows:

1. KIU failed to provide any objection to the Second Interrogatories upon their receipt on November 23, 2011, before the hearing on November 30, 2011, or at any time afterward, despite follow up correspondence about them dated January 4, 2012 and January 10, 2012. Thus KIU's objection is untimely and/or waived.

2. The Second Interrogatories are neither overly burdensome nor vexatious. KIU's responses to those interrogatories are relevant, material and necessary to KPOG's full and fair participation in this proceeding. Without prejudice to our rights with respect to compliance with a response to all interrogatories, and to expedite and assuage KIU's allegations that the Second Interrogatories are unduly burdensome, KPOG would limit its interrogatories and request that KIU provide responses and documents to the previously requested interrogatories numbered 1 through 5 below:

INTERROGATORIES

1. Please provide for the 1) Holding Pond property, 2) Down Island storage facility and 3) Cougar Island utility tract property the following:
 - a. The initial fair market value upon which each lease amount was based.
 - b. Copies of each of the lease agreements.
 - c. The basis for determining the first year's lease amount for each property.
 - d. The annual amount of lease payments paid for each year from inception to the point of purchase by KIU.
 - e. The total amount collected through the lease agreement prior to KIU's acquisition of each property.
2. Please provide KRA's rationale for pursuing leasing the property to KIU as opposed to selling the property to KIU at the inception of the date of the lease.

3. Please explain the basis for determining each year's lease amount. (i.e. the percentage increase factor) and if this differs from the Consumer Price Index explain why.
4. Please provide the fair market value at the time of the sale for the properties listed below and the price KRA sold them to KIU.
 - a. Title to Real Estate- Down Island Storage Facility Tract dated 10/10/2008
 - b. Title to Real Estate- General Warranty dated 04/24/2009
 - c. Title to Real Estate- Cougar Island Utility Tract 11/02/2010
5. How did KRA determine the selling price in 2008 of \$1,360,000 for the Down-Island storage property, in 2009 of \$1,800,000 for the Holding Pond property and in 2010 of \$2,000,000 for the Cougar Island tract?
 - a. Please provide all documentation supporting these amounts.
 - b. Please provide copies of documents from the Public Service Commission authorizing all of these transactions, as required by Rule 103-743.

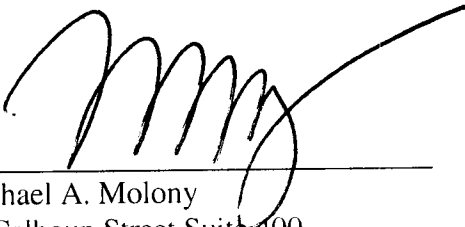
3. As a further response, any objection to relevancy has long since been waived as KIU failed to address this issue at the hearing before the Commission on November 30, 2011. Moreover, the transactions which are the subject of the Second Interrogatories were substantially addressed at that hearing.

4. As a further response, it is, at best, disingenuous to cite Commission Rules regarding procedural requirements when KIU itself has failed to comply with Commission Rules that would have supplied the very information now requested by KPOG. Specifically, the information requested simply verifies that the transactions which took place were done at fair market value, in compliance with the Utility Services Agreement and the Commission's Rules, and for the public interest of the ratepayers. The failure to disclose this information can only lead to the conclusion that KIU is attempting to evade the clear requirements of prior approval in Commission Rule 103-541 and 103-743 as well as the statutory mandate of the Commission as expressed in § 58-5-210 of the South Carolina Code.

5. As a further response, the record in this matter is not closed. Nowhere in the transcript of record (which was not available when KIU filed its objections) is there any statement that the record is no longer open. To the contrary, the record remains open pending final argument which is by way of proposed orders from all parties.

6. As a further response, KPOG also notes that the Second Interrogatories themselves request that KIU's responses be provided "prior to the hearing" and since they were not provided, the Second Interrogatories were included as Hearing Exhibit 3 (Stipulated Exhibit 26) to ensure that KIU's responses would be made available to the Intervenors as part of the record of these proceedings.

For the foregoing reasons, KPOG respectfully requests the Commission to order KIU to provide its responses and documents to interrogatories 1 through 5 above no later than Monday January 16, 2012 by 5:00 PM.


By: _____
Michael A. Molony
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Attorneys for the Intervenor
Kiawah Property Owners Group, Inc.

Charleston, South Carolina

Dated: January 13, 2012

BEFORE THE
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
Docket No. 2011-317-W/S

CERTIFICATE OF MAILING

We hereby certify that on this 13th day of January 2012, we served a copy of the foregoing Motion to Compel Kiawah Utility Inc. to respond to Intervenor Kiawah Island Property Owner Group's Interrogatories upon:

G. Trenholm Walker, Esquire
Pratt-Thomas, Pearce, Epting, & Walker
P.O. Drawer 22247
Charleston, South Carolina 29413-2227

Jocelyn Boyd
Chief Clerk & Administrator
South Carolina Public Service Commission
P. O. Box 11649
Columbia, SC 29211

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Jason Scott Luck, Esquire
John P. Seibels, Jr. Esquire
Kiawah Island Community Association, Incorporated
The Seibels Law Firm
127 King Street, Suite 100
Charleston, SC 29401

by first class mail, postage prepaid.

DATED at Charleston, South Carolina, this 13th day of January 2012.



MICHAEL A. MOLONY, ESQUIRE
Young Clement Rivers, LLP
25 Calhoun Street, P.O. Box 993
Charleston, South Carolina 29401
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Kiawah Property Owners Group, Inc

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